

## Message Text

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43

ORIGIN XMB-07

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EB/IFD/ODF:EMLINTON

ARA/LA:JSLATTERY(INFO)

----- 080234

R 151411Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

UNCLAS STATE 178666

E.O. 11652: N/A

TAGS: APUB, BR

SUBJECT: PRESS RELEASE ON EXIMBANK CREDIT TO BRAZIL

FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE  
DIRECT CREDIT OF \$2,250,000 TO RHODIACO INDUSTRIAS QUIMICAS  
S.A. OF SAO PAULO. RELEASE IS SCHEDULED FOR ANNOUNCEMENT HERE  
IN WASHINGTON, D.F. FOR A.M. PAPERS, FRIDAY, AUGUST 23, 1974.

QUOTE: EXIMBANK SUPPORTS \$5 MILLION SALE OF U.S. EQUIPMENT  
FOR ACID PLANT WITH DIRECT CREDIT OF \$2,250,000 TO BRAZIL

TO HELP FINANCE A \$5 MILLION SALE OF U.S. GOODS AND SERVICES  
REQUIRED FOR AN ACID PLANT IN BRAZIL, THE BOARD OF DIRECTORS OF  
THE EXPORT-IMPORT BANK OF THE UNITED STATES HAS AUTHORIZED A DIRECT  
CREDIT OF \$2,250,000 TO FINANCE 45 PERCENT OF THE TOTAL U.S.  
COSTS, ACCORDING TO EXIMBANK'S CHAIRMAN WILLIAM J. CASEY.

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A CREDIT OF \$2,250,000 FROM CREDIT LYONNAIS, PARIS, FRANCE,

THROUGH ITS NEW YORK BRANCH, WILL FINANCE ANOTHER 45 PERCENT OF THE U.S. COSTS. THE OBLIGOR, RHODIACO INDUSTRIAS QUIMICAS S.A. OF SAO PAULO, WILL MAKE CASH PAYMENT OF THE BALANCE OF THE U.S. COSTS OF 10 PERCENT OR \$500,000.

THE PROJECT IS FOR CONSTRUCTION OF A 75,000 MT PER YEAR PURIFIED TEREPHTHALIC ACID PLANT WITHIN THE LARGE RHODIA CHEMICAL COMPLEX AT PAULINIA, SAO PAULO. BASIC ENGINEERING WILL BE CARRIED OUT BY FOSTER WHEELER CORPORATION OF LIVINGSTON, NEW JERSEY.

U.S. PURCHASES WILL INCLUDE HEAT EXCHANGERS, CENTRIFUGES, COMPRESSORS, VALVES, ELECTRONIC CONTROLS AND MISCELLANEOUS COMPONENTS FOR THE ACID PLANT. PROCUREMENT WILL BE MADE FROM VARIOUS U.S. SUPPLIERS NOT YET FIRMLY DESIGNATED.

THE LOANS ARE TO BE REPAID IN 16 SEMIANNUAL INSTALLMENTS BEGINNING NOVEMBER 10, 1976. EXIMBANK'S CREDIT OF \$2,250,000 WILL BE REPAID OUT OF THE LAST 8 INSTALLMENTS AT AN INTEREST RATE OF 7 PERCENT PER ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT EXTENDED BY THE PARTICIPATING BANK RESULTS IN AN ESTIMATED INTEREST COST TO THE BORROWER OF ABOUT 8.7 PERCENT TO 8.95 PERCENT PER ANNUM. REPAYMENT OF ALL LOANS IS TO BE GUARANTEED BY RHODIA INDUSTRIAS QUIMICAS E TEXTEIS S.A. UNQUOTE  
KISSINGER

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**TAGS:** APUB, BR  
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